Smart move.

September 2008

A message from William R. Ebsworth, CFA
Chief Investment Officer
Strategic Advisers, Inc.

Strategic Advisers, Inc. (SAI) is a registered investment adviser and a Fidelity Investments company providing discretionary and non–discretionary investment management services.

On Monday, September 15, the U.S. stock market suffered its worst single day drop since 2001. The Dow Jones Industrial Average ended down 504.48 points following several significant developments in the financial sector over the weekend: Lehman Brothers would file for Chapter 11 bankruptcy, Merrill Lynch would be absorbed by Bank of America, and American International Group (AIG) sought and later in the week received bridge loans in the face of a potential downgrade of its debt by credit agencies.

While it's easy to get caught up in the headline news of the world's stock markets, I would like to stress that during periods of market volatility, we believe in remaining steadfast in your investment discipline. It is best not to make decisions based on short–term trends or emotion. Despite all the tools and management options that exist, we often see people abandon their investment strategy when the market gets rocky and then attempt to play catch–up later, often taking more risk than appropriate. Instead, as we seek to do, it can be best to maintain a long–term, disciplined investment approach with your portfolio goals in mind.

So, how can the value of my portfolios be protected when the market drops? The reality is that no investment is sheltered completely from losses. But, we believe diversification and appropriate asset allocation are the best ways to lower a portfolio's potential risk while maintaining its expected return in the long-term. At Strategic Advisers, this includes diversifying across a variety of asset classes, geographies, and among managers with different investment styles. We also diversify across various market sectors and industries. A broad diversification approach helps to ensure that exposure to any individual stock is limited, which in turn significantly limits the impact when a specific company dramatically drops in value.

Although past performance is not a guarantee of future results, exposure to an asset class that underperformed other asset classes in an up market may sometimes contribute to a portfolio's performance in a down market. However, the benefits of diversification are often not obvious over very short periods, particularly in bear markets when different asset classes can all appear to decline in unison. The value of diversification is often more evident over longer time frames when prices behave in less correlated ways. Historically, the best performing asset classes have also been the most volatile in the short-term. Capturing their superior longer-term returns has required investors to tolerate sharper short-term price swings than they would experience with safer, lower returning asset classes.

We also believe that investors should regularly review and rebalance their portfolios to ensure their asset allocation remains on target. We do not recommend making changes to your allocation based on short–term market trends. Nevertheless, you may decide to reevaluate your risk tolerance in light of the current market volatility. If you do so, we suggest you also consider the risk that moving to a more conservative asset mix in a bear market could reduce your portfolio's potential longer-term returns. The hazard for all of us as individual investors is our human tendency to be generally more comfortable taking risks in up than down markets. This leads to a danger of buying and selling, or increasing or decreasing your portfolio risk, at the wrong times.

Keep in mind that markets have survived many tumultuous events over the past 30 years such as recessions, wars, financial crises, and the collapse of major corporations; yet on the whole they have proven resilient over the long-term. For instance, as of August 29, 2008, the S&P 500 has returned nearly 14% a year on average for the last 30 years.

So, in conclusion, here are a few points to remember during these trying times in the market:

- Diversification may give investors the best chance of producing good performance and a steadier ride over the long run.
- Appropriate asset allocation is based on your investment timeframe, financial situation, liquidity needs, and comfort with short-term volatility.
- Stay steadfast in your investment approach for long-term investment needs rather than letting short–term market movements influence your activity.
- Fidelity can help you determine an appropriate allocation and plan for your investment needs.

Asset allocation and diversification do not ensure a profit or guarantee against a loss.

505523.5.1

Smart move.

William R. Ebsworth, CFA
Chief Investment Officer

Bill Ebsworth is the Chief Investment Officer for Strategic Advisers, Inc. (SAI), a registered investment adviser and a Fidelity Investments company.

Mr. Ebsworth joined Fidelity Management and Research Company (FMRCo) in Boston in 1984 as a Research Analyst. He moved to Japan in 1986 and managed Fidelity Pacific Basin Fund from 1986 to 1990. In 1990, he relocated to Fidelity's Hong Kong office as Research Director for Southeast Asia and later became Managing Director and Chief Investment Officer for the region –– positions he held though July 1997. Mr. Ebsworth was Senior Vice President and Group Leader for equity research and the Select Portfolios® for FMRCo until February 2002 when he was named Executive Vice President of Investment Services and Consultant Relations for Fidelity Institutional Retirement Service Company. From 2005 until he assumed his current position in 2006, Mr. Ebsworth served as Executive Vice President of Pyramis Global Advisors.

Between 1992 and 1997, Mr. Ebsworth served as a Director of the Hong Kong Securities Clearing Co. and the Stock Exchange Options Clearing House, positions to which he was appointed by the Financial Secretary of the Hong Kong government. Mr. Ebsworth also served as a Director of the Thailand International Fund, Ltd.; Fidelity Investments Hong Kong; Fidelity Investments Singapore, Ltd.; and Fidelity International Investment Advisors.

Mr. Ebsworth earned a Bachelor of Arts degree from Johns Hopkins University in 1980 and an MBA from the University of Pennsylvania's Wharton School in 1984. He is a Chartered Financial Analyst charterholder and a member of the Boston Security Analysts Society. Mr. Ebsworth has also been a member of the Fidelity Management Trust Committee since 2002.